Dow Jones News Service, June 12, 2007

WASHINGTON (Dow Jones)--The Securities and Exchange Commission's small-business office would serve as an ombudsman for small businesses on compliance with internal-controls rules under language added to an annual spending bill.

Rep. Mark Kirk, R-III., said he added the language to the SEC's 2008 annual appropriations bill. He said the bill is due to be voted on in the full House next week.

Thousands of small public companies are on track to begin complying with internal-controls rules mandated by the 2002 Sarbanes-Oxley law. The SEC had for years delayed applying the rules to smaller public companies, but has signaled that years of exemptions may be coming to an end now that regulators have rolled out changes to make it easier to comply with the regulations.

"Last week, SEC Chairman Christopher Cox announced that smaller public companies must begin complying with Section 404 of Sarbanes-Oxley by next year," Rep. Kirk said in a statement.

"As thousands of small businesses begin the arduous and time-intensive task of reporting their internal-control measures, there needs to be an advocate within the SEC to answer questions, address concerns and ensure that small businesses are considered in future Commission rules."